



News from **Fluor Hanford**

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News Release

Fluor Hanford and CH2M HILL award \$9 million in contracts for Hanford fabrication services

Richland, Wash.— Fluor Hanford and CH2M HILL Hanford Group have awarded two contracts totaling approximately \$9 million to Parsons Hanford Fabricators Inc. to perform fabrication services for the U.S. Department of Energy's Hanford Site in southeast Washington state.

Fluor Hanford and CH2M HILL issued separate contracts for \$4 million and \$5 million, respectively to Parsons, each with a three-year commitment of work orders from both companies. Fabrication services supporting Hanford's former production and current environmental cleanup missions have been provided on site for 50 years, most recently by Fluor Hanford, a prime contractor managing several major cleanup projects at the Hanford Site for the DOE.

"It is important to recognize that with the Hanford mission changing from operations to closure, there will be the need to transition the way work is conducted at the Site," said Fluor Hanford President and Chief Executive Officer Ron Gallagher. "The cost of maintaining the work force, equipment, and buildings cannot be supported indefinitely. Shifting these services to a company in the community is in the best interest of everyone associated with Hanford as well as the local community."

"Parsons has experience in successfully performing very similar projects of the same size and complexity for other clients, including federal customers with the Department of Defense," said CH2M HILL Hanford Group President and General Manager Ed Aromi. "We continue to have a need for the historically high-quality work of the site's fabrication employees. We welcome Parsons to its new role in the support of the Office of River Protection's cleanup mission."

Fluor Hanford has determined that Parsons will provide fabrication services at a lower cost than the current in-house operation. Parsons is expected to hire most of the Site Fabrication Services employees

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and move much of the facility's specialized fabrication equipment into a building next to Parsons' established operation in Pasco, Wash. Five teams of contractors responded to a request for proposals for the work. Parsons' proposal was rated highest in evaluation criteria that included management and technical approach, work transition, safety, past experience, and business development.

"We are enthusiastic about this opportunity to expand and diversify our fabrication capabilities," said Parsons Infrastructure and Technology Group President Jack Scott. "We established our existing fabrication facility in Pasco to take advantage of the skilled workforce available in the Hanford area, and since then we have fabricated and tested more than \$30 million in equipment to support the U.S. Army Chemical Demilitarization Program. Award of Hanford Fabrication Services allows us to increase our support to the Hanford Site and expand our fabrication services with other customers, providing sustainable jobs for HAMTC workers and supporting long-term economic growth in the Tri-Cities Area. Our intent to expand and sustain work for the fabrication-services employees and equipment is demonstrated by Parsons' commitment to add \$9 million in non-Hanford work during the initial three years of the contract period to supplement the work orders from Hanford. Parsons is also committed to maximizing opportunities for local small businesses. We procured more than \$5 million in goods and services from Tri-Cities small businesses during the last 12 months under our U.S. Army-funded program. We recognize the value of Tri-Cities'-based small businesses, and we will continue to maximize their subcontracting opportunities."

Parsons teamed with two local small businesses on this program, Northwest Inspection to provide non-destructive examination (NDE) services, and American Electric to provide electrical services. Both have worked effectively with Parsons' existing fabrication shop to support Hanford and U.S. Army fabrication programs.

Hanford Site Fabrication Services provides capabilities in machining, plasma cutting, welding, tooling, sheet-metal work, and electrical/vessel fabrication, as well as many unique capabilities to fabricate small lots of "one-of-a-kind" equipment. Some of the specialized fabrication equipment and skills needed to operate the equipment can't be found anywhere else in the western United States. Parsons will transfer the shop's employees and much of the shop's equipment to its Port of Pasco facility within three months. Parsons expects to expand its existing operation to accommodate the growth.

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